GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:1802
ANSWERED ON:12.12.2003
STRENGTHNESS OF POWERLOOM SECTOR
SAVSHIBHAI MAKWANA

Will the Minister of TEXTILES be pleased to state:

(a) whether the powerloom sectors in Andhra Pradesh, Tamilnadu, Madhya Pradesh and certain other States are facing acute problems mainly arising from lack of modernisation;

(b) if so, the details thereof;

(c) the number of powerloom and ancillary industries closed in these States;; and

(d) the steps taken /propose to be taken by the Government to solve the problem of this sector?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN)

(a) to (b)The decentralised powerloom sector of the country including that in Andhra Pradesh, Tamilnadu, Madhya Pradesh which plays a pivotal role in meeting the clothing needs of the industry, suffers from various infirmities including:-

(i) Technological obsolescence,

(ii) Small size of units,

(iii) Low HRD skill levels and poor quality consciousnesses, and

(iv) Inadequate availability of good quality power supply.

(c) No information is maintained regarding closure of the industry. However recent quarterly performance report of the Powerloom Service Centres indicate that 3.15% of looms visited were found not functioning due to various reasons.

(d) Government has taken several initiatives to facilitate growth in the decentralized powerloom industry. These include:

(i) Central Government has announced a powerloom package in the Union Budget 2003-04 for modernization of powerloom industry by enlarging the scope of Technology Upgradation Fund Scheme, providing Group Insurance Scheme for powerloom workers and assistance for Group Workshed for powerlooms to create a better working environment and obtain high productivity. The package has been made fully operational.

(ii) Government has taken up modernisation and strengthening of powerloom service centres, which have been set up to provide technical services of training, testing, project preparation etc.

(iii) Computer Aided Design Centres have been set up to enable small powerloom units to access new designs and upgrade fabric by product development inputs.

(iv) A programme for induction of 50,000 shuttleless and for 2.50 lakh semi automatic and automatic looms in the decentralised powerloom sector has been announced.

(v) Incentives have been made available under the Technology Upgradation Fund Scheme (TUFS) whereby the powerloom owner can reduce the cost of borrowing capital either by availing 20 % upfront Capital Linked Subsidy or by obtaining 5% interest reimbursement of on the loan availed.

(vi) Import duty on shuttleless looms has been reduced and excise duty exemption has been given to indigenous automatic looms. Accelerated depreciation benefits at the rate of 50% have been extended on the weaving machinery installed under TUFS.

(vii) Powerloom Export Entitlement (PEE) quota has been provided to encourage powerloom exports.